

28 APR 1976

NOTE TO: Mr. William G. Hyland
Deputy Assistant to the President
for National Security Affairs

Dear Bill:

Here is a copy of my latest draft of the budget schedule paper. We have attempted to reconcile the differences between Defense and the DCI and have added a paragraph saying what the CFI will not do. I have provided Bob Ellsworth a copy and hope that reconciliation can be effected.

I would appreciate a call this week to hear your views. I feel it is very important to get this paper on the street.

SIGNED

George Bush
Director

Attachment: (1) as stated

25X10/DCI/IC [redacted] 28 Apr 76)

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COMMITTEE ON FOREIGN INTELLIGENCE

DIRECTIVE NO. 1

I. Purpose

The purpose of this Directive is to establish the procedures by which the Committee on Foreign Intelligence (CFI) will control budget preparation and resource allocation for the National Foreign Intelligence Program (NFIP) pursuant to Executive Order 11905, dated 18 February 1976.

II. Responsibilities

The CFI will issue program and resource guidance; review and approve program and budget proposals; and provide an annual National Foreign Intelligence Program budget to the President. The process by which these tasks will be accomplished is described in detail later in this Directive. Generally, it is designed to interface to the extent possible with existing program and budget processes. At key points in the process, CFI decisions will be provided to the individual departments and agencies.

The CFI will not be responsible for the preparation and submission of individual department and agency programs and budgets; or funding, direction, and operational management of the individual programs and activities.

The Deputy to the DCI for the Intelligence Community (D/DCI/IC) will manage the process. The CFI Staff, under the direction of the D/DCI/IC, will work jointly with appropriate staffs throughout the year, including staffs of program managers, to coordinate the process.

III. The Annual Process

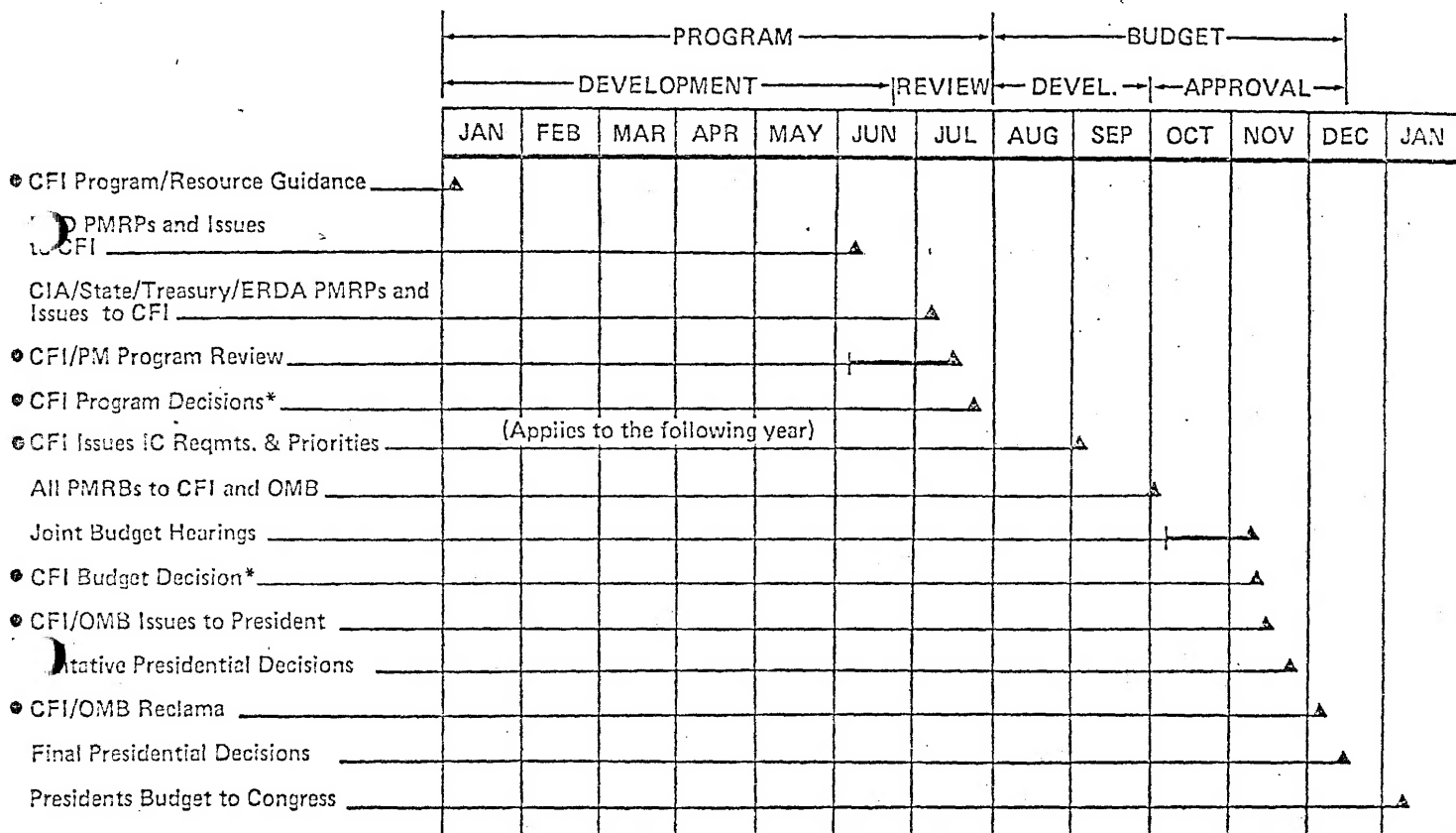
The major milestones in the annual process shall be as outlined below; the Deputy to the DCI for the Intelligence Community will publish a detailed program activity and review schedule each year which sets forth specific milestones and key decision dates:

<u>Early September</u>	CFI issues Intelligence Community Requirements and Priorities
<u>Early January</u>	CFI issues program and resource guidance
<u>Early June</u>	Program managers submit program proposals to department/agency officials and CFI; departmental and CFI staffs identify major issues for CFI consideration
<u>Mid-June/Mid-July</u>	CFI reviews programs with department/agency officials and program managers; overall NFIP presented by D/DCI/IC
<u>Late July</u>	CFI program decisions transmitted to departments/agencies concerned
<u>Early October</u>	Program managers submit budget estimates to department/agency officials, OMB and CFI
<u>October/November</u>	Joint CFI, OMB, department/agency budget hearings; issue papers jointly drafted and presented to CFI
<u>Early November</u>	CFI budget decisions transmitted to departments/agencies concerned; CFI submits consolidated NFIP budget to the President

<u>Mid-November</u>	Identification of budget issues; joint issue papers (triparty: CFI, OMB department) on unresolved issues forwarded to the President
<u>Late November</u>	Tentative Presidential decisions issued
<u>Early December</u>	Joint (triparty: CFI, OMB, department) issue papers on appealed decisions forwarded to the President
<u>Mid-December</u>	Final Presidential decisions
<u>Early January</u>	President's budget to Congress

George Bush
Chairman

CFI PROGRAMMING-BUDGETING CYCLE



- * Maintains the integrity of existing decision processes.
- * Major points of CFI involvement.

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